

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

In re: Target Corporation Customer Data
Security Breach Litigation

MDL No. 14-2522 (PAM/JJK)

This Document Relates to:

All Consumer Cases

**CONSUMER PLAINTIFFS' SUPPLEMENTAL MEMORANDUM IN SUPPORT
OF FINAL APPROVAL OF CLASS ACTION SETTLEMENT**

I. INTRODUCTION

Pursuant to the Court’s Preliminary Approval Order (¶ 5, ECF No. 364), Class Plaintiffs respectfully submit this Supplemental Memorandum in Support of Final Approval of Class Action Settlement to update the Court on the ongoing Settlement claims administration process. Rust Consulting, Inc., the Court-appointed Settlement Administrator, has completed an analysis of high dollar value documented claims and a statistically significant random sampling of the remaining documented claims in order to better advise the Court as to the estimated expected payout to all Class members under the Settlement.¹ Rust Consulting sets forth the details of this analysis in the Supplemental Declaration of Amy Lake Regarding Settlement Administration (“Lake Suppl. Decl.”).

II. DISCUSSION OF CLAIMS ANALYSIS

A. Documented Claims Validation Analysis

Rust Consulting analyzed two sets of Documented Claims: 1) 371 Claims seeking \$5,000 or more (the “High Dollar Claims”), and 2) 375 randomly selected Claims from the population of all documented claims seeking less than \$5,000 (the “Randomly Selected Claims”).² Lake Suppl. Decl. ¶ 3.

¹ Given the potentially large expense involved in verifying all documented claims, the Settlement provides that the complete claim validation process will not proceed until after decision of the Court granting Final Approval of the Settlement. Settlement, Ex. 1 ¶ 2.2.2, ECF No. 358-1.

² The Randomly Selected Claims are a statistically significant sample of documented claims seeking less than \$5,000. Lake Suppl. Decl. ¶ 4.

B. High Dollar Claims Validation Analysis

The first step in Rust's analysis of High Dollar Claims was to apply the \$10,000 claim cap, resulting in a total un-validated, adjusted claimed amount of \$3,047,152.04.

Id. ¶ 5. Rust's analysis of High Dollar Claims found that 66 of the 371 had valid supporting documentation for a total adjusted claim amount of \$181,714.49. *Id.* ¶ 6. The remaining 305 Claims did not provide supporting documentation or the documentation did not substantiate the Claim.³ *Id.* Of the 66 Claims with valid supporting documentation, 39 did not have any proof of class membership. *Id.* ¶ 7. As a result, Rust determined that 27 High Dollar Claims were valid documented claims with an adjusted total Claim amount of \$58,693.76, for an average payout of \$2,173.84 per claimant. *Id.*

C. Randomly Selected Claims Validation Analysis

Rust randomly selected 375 documented Claims from the population of documented claims in which the claimant was seeking less than \$5,000. *Id.* ¶ 8. The total un-validated, claimed amount for these Randomly Selected Claims is \$178,136.40. *Id.* Rust's analysis found that 87 of the 375 Randomly Selected Claims had valid supporting documentation for a total claim amount of \$20,783.09. *Id.* ¶ 9. The remaining 288 Claims did not have supporting documentation or the documentation did not substantiate the Claim.⁴ *Id.* Of the 87 Claims with supporting documentation, 55 did not have any proof of class membership. *Id.* ¶ 10. As a result, Rust determined that 32 Randomly Selected

³ As a result, these 305 claimants will be treated as Self-Certification Claims and will be paid the same amount as undocumented claimants. *Id.* ¶ 6.

⁴ As a result, these 288 claimants will be treated as Self-Certification Claims and will be paid the same amount as undocumented claimants. *Id.* ¶ 9.

Claims were valid documented claims with an adjusted total Claim amount of \$9,342.29, for an average payout of \$291.95. *Id.*

III. SUMMARY

As a result of the Rust analysis, the estimated number of undocumented, Self-Certification Claims will be approximately 220,000. Thus, after a total payment of approximately \$442,722.42 for all validated Documented Claims, it is estimated that all undocumented Self-Certification Claimants should receive approximately \$40.00 each under the Settlement.⁵

That payment amount is derived from the following analysis: The percentage of the total claimed amount versus the total validated amount for the Randomly Selected Claims was 11.7%. When that percentage is applied to the total claimed amount for Claims for less than \$5,000 (\$2,786,569.75), the total estimated documented claims payout would be approximately \$326,028.57. When that number is added to the High Dollar Claims estimated payout (\$58,693.76) and the requested Class Representative Service awards (\$58,000), the total estimated payout for validated, documented claims is \$442,722.42. Although the dispute resolution procedure may result in some Class Members' rejected claims being revisited and validated, we do not expect that number to impact this estimate in a significant way.

Date: November 3, 2015

Respectfully submitted,

s/ Vincent J. Esades

⁵ This amount exceeds the \$30.00 example that was provided in the Notice sent to Class members. Settlement, Ex. 3 at 3, ECF No. 358-1.

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